

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WINSTAR COMMUNICATIONS, INC., et al.,

Debtors.

CHRISTINE C. SHUBERT, CHAPTER 7
TRUSTEE OF WINSTAR
COMMUNICATIONS, INC. AND WINSTAR
WIRELESS, INC.,

Plaintiff,

v.

LUCENT TECHNOLOGIES INC.,

Defendant.

Case No. 06-147 (JJF)

Case Below:
Chapter 7

Case No. 01-1430

(Jointly Administered)

Adv. Pro. No. 01-01063 (JBR)

JOINT STIPULATION REGARDING STAY OF PROCEEDINGS

Pursuant to Bankruptcy 8017(b), Plaintiff Christine C. Shubert, Chapter 7 Trustee ("the Trustee"), and Defendant Lucent Technologies, Inc. ("Lucent") (collectively, the "Parties") hereby stipulate and agree as follows:

1. On December 28, 2005 the Bankruptcy Court entered judgment (Doc. #373) (the "Judgment") in favor of the Trustee (i) against Lucent on Counts VII and X of the Second Amended Complaint (the "Complaint"), in the aggregate amounts of \$243,930,742.00 plus prejudgment interest, and (ii) Count XI subordinating Lucent's claims against Winstar to the claims of all creditors and certain equity holders and transferring to the Plaintiff any lien or claim held by Lucent on Winstar's assets, including without limitation distribution of amounts held in the three escrow accounts established by prior stipulations between the Trustee and Lucent

(Bankruptcy Case 01-1430 Docket Nos. 3544, 4026 and 4360). The total amount of the monetary award pursuant to the Judgment is \$278,318,409.30 (the "Monetary Award"). Interest continues to accrue on the Judgment at the rate of \$33,321.96 per diem.

2. On January 9, 2006, Lucent filed a notice of appeal (the "Appeal") from the Judgment.

3. Pursuant to a Stipulation approved by the Bankruptcy Court on January 27, 2006, enforcement of the Judgment was stayed pending appeal to the U.S. District Court for the District of Delaware.

4. By final order dated April 26, 2007 (Doc # 47) (the "Final Order"), the U.S. District Court for the District of Delaware affirmed the Judgment.

5. Pursuant to Federal Rule of Appellate Procedure 4(a)(1), Lucent's Notice of Appeal is due on May 28, 2007. Lucent has expressed its intention to pursue such an appeal to the U.S. Court of Appeals for the Third Circuit (the "Third Circuit Appeal").


6. The Parties have filed contemporaneously with this filing a Joint Stipulation Regarding Stay of Proceedings and Form of Security with the U.S. Bankruptcy Court for the District of Delaware (the "Bankruptcy Court Joint Stipulation"). The Bankruptcy Court Joint Stipulation, a copy of which is attached hereto as Appendix A, reflects the parties agreement that enforcement of the Judgment be further stayed pending issuance of the mandate following the Third Circuit Appeal and subject to the terms set forth in Paragraph 9 of the stipulation. To secure Lucent's obligation's in respect of the Monetary Award and continued interest thereon during the pendency of the stay, JPMorgan Chase Bank, N.A. ("JPMorgan") has issued in favor of the Trustee a standby letter of credit (the "Letter of Credit"). The Parties agree that the Letter

of Credit provides appropriate security pursuant to Fed. R. Civ. P. 62(d) and Fed. R. Bankruptcy P. 8017(b).

7. Enforcement of the Final Order shall be stayed pursuant to Fed. R. Bankruptcy P. 8017(b) and in accordance with the annexed Bankruptcy Court Joint Stipulation.

Dated: May 4, 2007

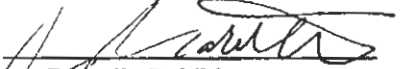
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SO ORDERED.

Dated: May 10, 2007


Joseph J. Farnan JR.
United States District Judge